From:

Subject:

Wayne Hedberg MWright, LBraxto

Date: 2/2/98 5:15pm

Results Teleconference Meeting - Western States (Drum Mine - M/027/007)

On February 2, 1998, a teleconference discussion was held between Western States Minerals Corporation (Craig Carver, Buzz Garrick), DOGM (Dan Moquin, Wayne Hedberg, Randy Harden, Tony Gallegos, Tom Munson) and the BLM (Alan Rabinoff, Terry Snyder, Ron Teseneer). Western States requested the teleconference meeting to discuss their concerns regarding Waste Dump #1 reclamation responsibility and the overall revegetation performance standards they will have to meet at the Drum Mine.

Four main points of discussion were proposed/outlined by WSMC as follows:

- 1) a 50% revegetation standard (diversity and density) to apply to all disturbed areas that WSMC ultimately agrees to reclaim (vs. DOGM's present 70% std.).
- 2) a minimum 2- year post-closure monitoring period to achieve the 50% revegetation standard (to be extended if WSMC fails to meet 50% within two growing seasons).
- 3) if waste characterization analyses of the heaps and waste dumps demonstrate that there will not be a (short or long-term) toxicity problem, then a maximum of 12" of cover (including topsoil) will only be required for reclamation.
- 4) an Agreement from the BLM and DOGM to split the cost of reclaiming WD #1 with WSMC in the event that the state and/or BLM acquire forfeited reclamation funds from the JMC bankruptcy court proceedings or other alternative funding sources. WSMC would fund entire amount initially.

WSMC agreed to send both agencies a hard copy of their proposal within the next day or so to act upon. We (DOGM & BLM) agreed to evaluate and jointly discuss their proposal and draft a reply to WSMC by February 13, 1998. Finalization of the waste characterization plan and settlement agreement should follow shortly thereafter.

We stated that we could consider a performance based reclamation standard, rather that a specific depth of cover material and topsoil, as a basis for determining successful reclamation of the site.

We stated that it would be unlikely that DOGM could support using any forfeited reclamation funds from JMC (or other sources) to reimburse WSMC for their costs associated with reclaiming WD#1. Any available funds would undoubtedly be used by the State to reclaim those remaining areas associated with JMC's portion of the mine site.

A COPY OF THIS EMAIL WILL BE COPIED TO THE MINE FILE (M/027/007)

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CC: Mnrls, DMoquin